

May 21, 2010

This edition of the COD Processing Update will remain on the COD Web site until a new edition is posted. We will notify schools via a COD Web Message when a new edition has been posted.

Direct Loan Program

COD News



Direct PLUS Loan Credit Check Issue (5/21/10)

At 9:30 P.M. (ET) on May 20, 2010, a system issue caused a delay in credit check processing via batch submission and via the COD Web site. In addition, some users were not able to complete the credit check step of the Direct PLUS Loan Request process or the Endorser process on the StudentLoans.gov Web site. After submitting the credit check request, the user received an error message stating that the system was unable to process the request.

Federal Student Aid resolved this issue on May 21, 2010. Responses for credit checks processed via batch submission or via the COD Web site will be returned to schools by the end of the day. Federal Student Aid will contact the impacted StudentLoans.gov Web site users to advise them that the credit check step can now be completed.

Federal Student Aid regrets any inconvenience to schools and our StudentLoans.gov customers. If you have questions, contact the COD School Relations Center.

Impact on COD Processing May 23, 2010 (05/19/10)

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An explanation of how these activities will impact COD System availability and processing follows below. Please review this information to determine if processing at your school will be affected.

Routine COD System Maintenance

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- An individual will not be able to complete online Direct Loan Entrance Counseling, complete a new Master Promissory Note (MPN) electronically, or complete a Direct



PLUS Loan Request electronically via the <u>StudentLoans.gov Web site</u> between 1:30 A.M. and 4:00 P.M. (ET).

- An individual will not be able to complete TEACH Grant Initial and Subsequent Counseling, complete a new TEACH Grant Agreement to Serve (ATS), or retrieve an existing ATS via the <u>TEACH Grant Web site</u> between 1:30 A.M. and 4:00 P.M. (ET).
- Between 1:30 A.M. and 4:00 P.M. (ET), batches submitted by schools via the SAIG will be held or schools will receive an error message informing them that the SAIG is unavailable and that the data must be transmitted at a later time.

Contact Information

Federal Student Aid appreciates your patience and understanding as it completes this important activity. If you have any questions about the COD System, the StudentLoans.gov Web site, or the TEACH Grant Web site, contact the COD School Relations Center. If you have any questions about the SAIG, contact CPS/SAIG Technical Support at 800/330-5947 or by e-mail at CPSSAIG@ed.gov.

Impact on COD Processing May 30-31, 2010 (05/21/10)

Federal Student Aid is planning several system maintenance activities during the period May 30-31, 2010. In addition, the Student Aid Internet Gateway (SAIG) will be unavailable from 3:00 A.M. until 11:00 A.M. (ET) on Sunday, May 30, 2010 due to its regular Sunday morning maintenance. These activities will result in outages of certain COD System functionality for a period of time.

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• Between 12:30 A.M. and 11:00 A.M (ET), batches submitted by schools via the SAIG will be held or schools will receive an error message informing them that the SAIG is unavailable and that the data must be transmitted at a later time.

Memorial Day Federal Holiday

Monday, May 31, 2010 is the Memorial Day Federal holiday.

- The COD School Relations Center will be closed.
- The COD System will accept and process data from schools and send back responses/acknowledgements, but schools will not be able to receive any Federal funds on that day. Requests for changes in funding levels and for funds will not be processed until Tuesday, June 1, 2010.

Complete information regarding processing and customer service hours for COD and other Federal Student Aid/Department of Education call centers on the holiday will be posted in an Electronic Announcement on the Information for Financial Aid Professionals (IFAP) Web site.

Reminder of Origination Fee Reduction for Direct Subsidized Loans and Direct Unsubsidized Loans (05/14/10)

As explained in a February 4, 2010 Electronic Announcement posted on the Information for Financial Aid Professionals (IFAP) Web site, the origination fee for Direct Subsidized Loans and Direct Unsubsidized Loans was reduced for 2010-2011. This announcement provides operational guidance for schools and third party software providers on implementing these latest reductions in the origination fee.

Last year, many Direct Subsidized Loan and Direct Unsubsidized Loan awards rejected because the correct origination fee was not included with the award and/or was not used to calculate the award and its disbursements. For this reason, we want to remind schools of the previously provided guidance that is critical to successfully implementing the origination fee reduction for Direct Subsidized Loan and Direct Unsubsidized Loan awards.

Schools should refer to the February 4, 2010 Electronic Announcement for complete information about the origination fee reduction.

If your school needs assistance with COD System processing, including making changes to origination fees, contact the COD School Relations Center.

Update on Operational Implementation of Increased Title IV Student Assistance to Children of Certain Deceased Members of the U.S. Military (05/14/10)

In an electronic announcement posted on November 6, 2009 to the Information for Financial Aid Professionals (IFAP) Web site, Federal Student Aid provided background information and operational guidance on the statutory provisions for increased Title IV student financial assistance for a student whose parent or guardian died as a result of military service in Iraq or Afghanistan after September 11, 2001.



In a subsequent <u>electronic announcement posted on the IFAP Web site</u>, Federal Student Aid provides updated information about the process it is using to identify eligible students under these provisions.

Master Promissory Note, Entrance Counseling, and PLUS Search Issues [(4/22/10) Updated 5/13/10]

Federal Student Aid has identified several issues when schools search for Direct Loan Master Promissory Notes (MPNs), Direct Loan Entrance Counseling results, or Direct PLUS Loan Requests via the COD Web site.

Issue 1: MPN Search by SSN-The search results do not return all MPNs associated with the student.

The search results should include any MPNs from any school associated with a student. Federal Student Aid has determined that in some cases, a search by student SSN is not pulling all MPNs associated with that student. For example, the search results will not always include a Direct PLUS Loan MPN associated with that student. In other cases, no search results are returned at all, even if an MPN is on file.

Issue 2: MPN Search by Date Range-The search results of more than 100 records do not display correctly and school cannot move to "Page 2" of the results.

The search results should include all MPNs within the date range. Federal Student Aid has determined that a date range search will only display the first 100 records and the school receives an error message when it attempts to view results on "Page 2".

Issue 3: Direct Loan Entrance Counseling date range search is unavailable.

Federal Student Aid has determined that the date range search functionality for Direct Loan Entrance Counseling is not working correctly. As a result, the functionality has been disabled temporarily. *Note:* On the Entrance Counseling search screen the date range option is still displayed for users; however TEACH Grant is the only option in the drop-down menu at this time.

Issue 4: Direct PLUS Loan Request (PLUS Acknowledgement) date range search is unavailable.

Federal Student Aid has determined that the date range search functionality for Direct PLUS Loan Requests is not working correctly. As a result, the functionality has been disabled temporarily. *Note:* In order to further research this issue, on May 13, 2010, Federal Student Aid also temporarily disabled the date range search on the PLUS Application Response Request Search page (under the Batch Search menu).

Federal Student Aid is working to resolve all of these issues as soon as possible and will provide updates as more information becomes available. We will post these updates through the COD Processing Update.



In the meantime, schools can use the Batch Search page to locate the desired information. In the Batch Type drop-down box, a school can select "EC" for Entrance Counseling batches, "PN" for MPN batches, and "SP" for PLUS Request Acknowledgement batches.

We apologize for any inconvenience these issues cause schools. If you have questions, contact the COD School Relations Center.

Weekly Reminders

COD Computer-Based Training (05/21/10)

Federal Student Aid takes this opportunity to remind the community of the availability of the COD Computer-Based Training (CBT). The COD CBT includes enhancements that have been made to the COD System, the COD Web site, and associated Web sites and software products through June 27, 2009.

The COD CBT consists of component simulations and CBTs. Each COD CBT component is explained below. The electronic files associated with each component, as well as information about downloading and navigating the COD CBT, are available on the Information for Financial Aid Professionals (IFAP) Web site. Under the "Tools for Schools" section on the home page, click on COD Computer-Based Training.

Note: With the implementation of the <u>StudentLoans.gov Web site</u> at the end of March 2010, the three electronic Master Promissory Note (MPN) simulations no longer reflected the process for electronically completing Direct Loan MPNs and have been removed. We will post updated electronic MPN simulations when we next update the full version of the COD CBT.

The components of the COD CBT are as follows:

COD System Simulations – The COD System Simulations offer lessons that explain the COD Web site screens and functionality available to a school administrator. There are 14 lessons with text to guide a user through each area of the COD Web site. By entering fictitious data, the user can explore basic navigation and functions of the COD Web site and practice locating and creating information in a safe environment that includes tips for assistance.

Direct Loan Reports CBT – The Direct Loan Reports CBT includes several sections that explain the COD reports a school can use to assist with the administration of and reconciliation process for William D. Ford Federal Direct Loan (Direct Loan) awards.

Grant Reports CBTs – The Grant Reports CBTs are four separate lessons that explain the COD reports a school can use to assist with the administration of and reconciliation process for Academic Competitiveness Grant (ACG), Federal Pell Grant (Pell Grant), National Science and Mathematics Access to Retain Talent Grant (National SMART Grant), and Teacher Education Assistance for College and Higher Education (TEACH) Grant awards.

Direct Loan (DL) Tools Simulation – The DL Tools Simulation demonstrates how to use the DL Tools software to assist with the reconciliation process for Direct Loan awards. Although the simulation can be used both by schools that use the EDExpress for Windows software and schools that do not use this software, the simulation is especially useful for schools that do not



use the EDExpress software on a regular basis but are interested in a Direct Loan reconciliation resource.

TEACH Grant Web Site Simulation – The TEACH Grant Web site Simulation guides the user through the <u>TEACH Grant Web site</u> and includes a step-by-step walk through of the process for completing TEACH Grant counseling and completing a TEACH Grant Agreement to Serve (ATS).

If you have questions or comments about the COD CBT, contact the COD School Relations Center. If you e-mail your question or comment to CODSupport@acs-inc.com, please include "COD CBT Question/Comment" in the subject line.

Grant Programs

ACG, National SMART Grant, Pell Grant, and TEACH Grant

COD News

Federal Pell Grant 2010-2011 Award Year Initial Authorization for Advanced Funded Schools (05/13/10)

We have begun processing the Federal Pell Grant (Pell Grant) Initial Authorization for the 2010-2011 Award Year, for schools that receive Pell Grant funds under the advanced funding method. A school's Initial Authorization, known in the Common Origination and Disbursement (COD) System as Current Funding Level (CFL), is determined based on a percentage of the disbursement data submitted and accepted during the 2009-2010 Award Year.

For the 2010-2011 Award Year, the Pell Grant appropriation has been supplemented with funds from the American Recovery and Reinvestment Act of 2009 (ARRA), Pub. L. 111-5. To comply with federal financial and accounting requirements of the ARRA, the funding of the Initial Authorization will be done in two parts as follows:

- On May 11, 2010, we generated an Electronic Statement of Account (ESOA) that lists
 the amount of a school's Initial CFL for the 2010-2011 Award Year and sent it to the
 school's Student Aid Information Gateway (SAIG) mailbox (Message Class
 PGAS110P).
- Subsequent to the May 11, 2010 Initial CFL processing, we generated a second CFL increase and a second ESOA. We sent the second ESOA to the school's SAIG mailbox (Message Class PGAS110P).

For complete information about the Federal Pell Grant 2010-2011 Award Year Initial Authorization for Advanced Funded schools, refer to the May 13, 2010 Electronic Announcement that is posted on the IFAP Web site.

Note: On May 20, 2010, Federal Student Aid updated this Electronic Announcement to correct the earliest date on which a school may disburse a Pell Grant for the 2010-2011 Award Year.

Two Common Record XML Tags for Pell Grant Awards Sent in Incorrect Order (05/19/10) Federal Student Aid has determined that two Common Record XML tags are being returned in both Pell Grant Common Record Responses and Pell Grant System-Generated Responses (Negative Disbursement Responses) in the incorrect order. As a result, some schools may be unable to import the response files.

The <ScheduledGrant> tag is being returned in the response block after the <LifetimeEligibilityUsed> tag. However, the <ScheduledGrant> tag should be placed before the <LifetimeEligibilityUsed> tag in order to match the Common Record XML Schema 3.0c.



Federal Student Aid plans to correct the order of the tags on May 25, 2010. If a school's software is programmed to edit the order of the tags, the COD System will still process incoming records, but the school will not be able import the response files until the correction is made. Federal Student Aid recommends any school using software that edits on the order of the tags *not* send 2010-2011 Pell Grant origination and disbursements records until after the fix is completed.

Federal Student Aid apologizes for any inconvenience this issue may have caused. If you have additional questions, contact the COD School Relations Center.

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2010-2011 ISIR Reprocessing on May 18, 2010 to Identify Pell-Eligible Records Based on Revised 2010-2011 Pell Grant Payment and Disbursement Schedules (05/14/10)

In an <u>electronic announcement posted to the Information for Financial Aid Professionals</u> (IFAP) Web site on May 5, 2010, Federal Student Aid alerted schools that we will reprocess 2010-2011 Institutional Student Information Records (ISIRs) for applicants who applied prior to May 6, 2010 who may now be eligible for a Federal Pell Grant (Pell Grant) according to the 2010-2011 payment and disbursement schedules published in <u>Dear Colleague Letter P-10-03</u>. This reprocessing will take place **May 18, 2010**.

The May 18, 2010 reprocessing will impact application and correction records processed prior to May 6, 2010, for students not designated as being "Pell Grant Eligible" under earlier formulas but who are now eligible for a 2010-2011 Pell Grant. Federal Student Aid estimates that less than 250,000 student records will be reprocessed. New 2010-2011 Student Aid Reports (SARs) and ISIRs will be generated for students impacted by this reprocessing.

For complete information about the 2010-2011 ISIR Reprocessing to identify Pell-eligible records based on the revised 2010-2011 Pell Grant Payment and Disbursement Schedules, refer to the May 14, 2010 Electronic Announcement that is posted on the IFAP Web site.

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